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## FARM MANAGEMENT PROGRAMS FOR YOUNG MEN

A radio talk by H. M. Dixon, In Charge, Agricultural Economics Section, broadcast Saturday, July 6, 1935, in the Department of Agriculture period, National Farm and Home Hour, by NBC and a network of 50 associate radio stations.

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In 1934, 4-H Club members throughout the country completed a total of 1,170,307 projects. For each of these projects you members kept a record which showed the financial success of your project, as well as the methods used in completing it. Some of you members went further than this in record keeping and used the farm record as your club project. Last year over 10,000 club members completed farm management records either of one enterprise on the farm or of the whole farm business. A further incentive to farm management club work has been given through the National 4-H farm accounting contest.

County agents reported more than a million farmers keeping records of their farm business last year. Much use was made of these records by farmers cooperating in AAA programs. Many of you 4-H Club members are taking an active part in this important job of getting the farm business facts in shape for use. This experience gives many young people their first opportunity to analyze the reasons why some farms are more successful than others.

Now, after having kept the farm record and studied it at the end of the year, what are the lessons club members are learning from it? In the first place, they say the farm record gives them a detailed statement of receipts and expenses and a financial statement showing whether or not the year's operations were profitable. Secondly, the record provides a ready reference to items of income and expense and to dates when important farming operations were performed. Such comparisons become more valuable when records are kept for a number of years. Thirdly, the record is used as a standard for judging the efficiency with which various farming operations are conducted. Finally, the members point out that the record makes for a more businesslike method of farming and provides a basis for securing credit, making income tax returns, and the like.

Many 4-H Club members are going further in their analysis and study of farm management problems. They hold discussion meetings where important questions are analyzed of special interest to themselves, such as the problem of how to select a farm and the amount of income received from farming in different areas and from different types of farming. A study from one of the Eastern States shows that it takes about 19 years' returns from farming to pay for a farm. This seemed to hold true for either poor land or good land farms. At the end of the 19 years, however, the man on the poor land had a farm worth only \$2,000, whereas the man on the good land had a farm worth \$10,000.

Young farmers also report great interest in discussions of how to get started in farming and how to finance a business of sufficient size to return a reasonable income. A study of farm business records in the Corn Belt showed that the average owner with capital of from \$3,000 to \$5,000 had a farm of only

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forty acres and made a labor income of \$300, while the average tenant with this same amount invested in working capital operated a farm of 150 acres and made a labor income of \$1,400. By starting as a tenant, risk and experience can be shared with landlords and added responsibility taken on as experience warrants.

Questions concerning marketing principles and the planning of farm production to take advantage of the most favorable market outlets are also occupying more attention. For example, one 4-H Club took as a project a car-load of hogs to fatten. The club determined what breed to buy and when to buy them. The feeding practice was planned to finish these hogs at a weight and time most likely to bring highest market prices.

4-H Club members are analyzing these and many other economic problems with the help of club leaders, county agents and extension economists.

As an indication of what is being accomplished, I quote, in closing, from a State where farm management programs for 4-H Clubs have been carried on for the past twelve years:

"Our work with young farmers' clubs has aided in developing some of the best farm businesses in the State. At the present time former members of these clubs play an important part in shaping the agricultural policies of various county extension groups, our leading cooperatives, and other agricultural organizations. These clubs have served as a means of developing local agricultural leaders who are well trained in a knowledge of the situation and have good understanding of sound economic principles."

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